

CAPITAL IMPROVEMENT PROGRAM COMMITTEE (CIPC)

Minutes for August 13, 2008

Present: CIP Members: Chairman David Smith, David Weaver, Conrad Anker, Todd Mitchell, Dawn Hayes, Mary Ellen Fitzgerald, Cynde Hertzog and Commission Liaison Joe Skinner. Staff: County Administrator Earl Mathers, Grants and Projects Administrator Larry Watson and Glenda Howze.

The meeting was called to order at 7:02 AM in the Courthouse Community Room.

Public Comment: There was no public comment on matters not on the agenda.

Approval of Minutes (June 25, 2008): Mr. Weaver made a motion to approve the minutes as written. Mr. Anker seconded the motion. All voted aye. Motion carried unanimously.

“Fire Report” on 5 Emergency Projects, Completed Projects Reports, Pending Projects

Reports: Mr. Watson provided updates on the following projects:

Detention Center HVAC: The failure of the current units is due to age. The bid package is on his desk and waiting for either the finalization of an InterCap loan or the certified values from the Department of Revenue (DOR) to fund this project. It needs to be completed before winter.

Estimated cost: \$140,000. Detention Center Roof: The flat portion of the roof was repaired a couple years ago, now the domed portion is leaking. There is a new product out that is a rubberized product over a fabric and is touted to be lower cost estimates, but we have not received a qualified proposal yet. There is concern about the material that is under the current roofing material that has rotted (insulation, etc.). **Estimated cost: \$50,000 (with standard repair measures) and \$20,000 if the new product is feasible – if the project is over \$50,000 then the project will need to be bid.** **Law & Justice Center Roof:** The south portion is finished, but the winter was tough on the north portion. There has been a lot more break down on that area. If someone is going to be mobilized for the Detention Center then it most likely would be prudent to have them complete the L&J at the same time.

Mr. Mathers explained that financing is in question on the “emergency” projects at this time. He noted that Finance Director Ed Blackman is “wrestling” with DOR on the money that we will get from new construction and they are currently revisiting those numbers. Commissioner Skinner said that best case scenario would be to have what we originally estimated rather than the \$500,000 less than the first set of numbers that came in from DOR.

Courthouse Annex: The sprinkler system contract with Sprinkler Technologies has an estimate of less than \$50,000. They will provide a report by the end of the week in order to meet our provisional occupancy permit within the set 12 weeks. There have been small problems with the new HVAC system that are under warranty. The old boiler system has not been maintained properly. It appears that it was shut off during construction and not turned back on, which may have caused additional problems. Boilers now have to be inspected on a monthly basis by law.

Other Projects:

- The bid award was granted to Walker Construction for the new landfill shop - <\$800,000.
- The flooring project at the L&J is complete.
- The 3rd District Court is going to have some warranty work done soon. The concrete panels that are under it will either be replaced or repaired.
- Road and Bridge Shop: The punch list items are being taken care of and the plan is for moving to commence next week. There will be a formal ribbon cutting ceremony at some point.
- Detention Center: The 85% plans are complete and consultants are working to fix the costs associated with the plans. They are working with Carter Goble Lee on soft costs and placeholders in the budget for every line item, training, and demolition of the old facility. Expenditures on fees and other pre-bond costs are included in the costs of the bond so that we can replenish the County's reserves. At 5:00PM today the cost estimates will be opened for all contractors on the construction of the facility. The responders will be announced but the costs will be confidential for now. The resolution to place the bond issue on the ballot is set for August 19th and we hope to have a conservative number to announce at that time. The team will continue working on a guaranteed maximum price to be available two weeks before the bond election. Steel costs are continuing to rise and keeping the costs higher than we had hoped.
- West Yellowstone Composting Facility: A contract was awarded for a membrane structure over the compost piles. The compost has all been sold within two weeks of being on the ground but the structure is being required regardless.
- 1st Floor Bathroom (Courthouse): Needs to be brought up to ADA and health standards. This might be included in the loan package.
- HR/GIS: When the Bresnan equipment is moved out and to the City's location then the remodel on HR and GIS will take place – it will require less work and cost by utilizing the current "Bresnan" space.
- The "old" Planning Department space is under discussions now regarding how to best utilize this space
- The 2nd floor space in the L&J where the County Attorney's office used to reside may be usable now (or soon) as some of the records in the Clerk of District Court's vault are being moved down to the vacated Facilities office, lessening the burden on the floor above this space.
- Other projects: Reach Group Home, Belgrade Senior Center, and Rae Water and Sewer Facility.

Mr. Watson also noted that the FCI needs to be used to estimate a cash reserve to address maintenance issues in the future. Commissioner Skinner stated that the Commission is discussing including the 1st floor bathrooms and the engineering study at the Fairgrounds in the Intercap loan they may take out for the other emergency capital needs. He asked the opinion of the CIPC on including these projects in that loan. Mr. Weaver asked how the first floor bathroom stacks up as an emergency with the other high priority, immediate needs. Mr. Mathers explained that some cosmetic improvements could be made to the first floor bathroom from the facilities budget, without having to do a complete remodel. Mr. Watson also noted that they are hoping to store some pre-purchased furnishings in the vacated Road and Bridge buildings that will be used in the Detention Center. This will be temporary only. Ms. Hayes stated that the committee needs to know how the loan will be repaid before adding to that loan. Mr. Watson stated that there is a lot of "unknown" data that is needed before the loan is sought after. Mr. Mitchell stated that he isn't inclined to throw other

projects into the loan that are not critical, that makes it more of a line of credit rather than a necessity. Chairman Smith stated that we still need to identify a revenue stream for capital needs as well. Commissioner Skinner stated that the loan and revenue source to pay it back is all dependant on how the valuations come in. Mr. Weaver stated that there is always an emergency. Mr. Watson also noted that the County will be taking out the 1 million dollar intercap loan for the Hope House mental health crisis facility as previously promised.

Mr. Weaver asked about the status of the interchange. Mr. Watson reported that the environmental assessment (EA) is being finished and will be launched next month. A new signed MOU with the State is in place and we'll move to design development with the 8 million earmark after the EA is released. The best case scenario is that the project will start on 2011 and take approximately 2- 2.5 years.

Discussions took place regarding the educational efforts on the new detention center. Commissioner Skinner explained the booth, website, "rubber chicken" tour, and that a virtual tour is being completed as well. He also noted that he feels there is a psychological threshold of \$30 million for it to be approved.

Meeting was adjourned at 8:20AM

Respectfully Submitted,

Glenda Howze, Staff

David Smith, Chair